

Pentagon officials abusing government credit cards ABC News

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By Peter Jennings, Linda Douglass

On THE MONEY TRAIL tonight, bureaucrats on a spending spree. The House of Representatives held a hearing today into Pentagon employees misusing the government's credit cards for personal purchases. This is a longstanding problem at the Defense Department. And congressional investigators say the department is ignoring it. Here's ABC's Linda Douglass. LINDA DOUGLASS reporting:

(VO) Investigators told Congress about Navy employees who are using government credit cards stamped "For Official Use Only" to buy personal items: an expensive day planner, a purse, a designer jacket, a stereo headset.

Mr. GREGORY KUTZ (US General Accounting Office): And a questionable trip for 30 to Bally's Paris Casino in Las Vegas at a cost to the taxpayer of 15 to \$20,000.

DOUGLASS: (VO) Senator Charles Grassley says the Pentagon doesn't seem to care what happens to its money.

Senator CHUCK GRASSLEY (Republican, Iowa): We can't have over a million personnel of the Department of Defense with this plastic license to steal.

DOUGLASS: (VO) Last year during a survey of two naval facilities investigators discovered rampant abuse and potential fraud by employees using credit cards that are meant to buy office supplies and equipment. Eight months later, they say, little has changed.

Representative JAN SCHAKOWSKY (Democrat, Illinois): What we have here is an organization that is completely out of control.

DOUGLASS: Grassley told the story of Navy employee Tanya Mays who used her government card to buy nearly \$12,000 in personal items.

(VO) Among them: clothes, a computer, a stove, groceries and plane tickets. Grassley said Mays has since been promoted.

Sen. GRASSLEY: She's now assigned to the Army's top-level financial management office in the Pentagon. And I'm told that she is in charge of cash integration.

DOUGLASS: (VO) Then there is the case of employee Nick Fungchareon who used his government card to pay for breast implants for a waitress he had met. Fungchareon paid the government back, something many employees do not do. Grassley also gave Congress a list of

700 military officers who have failed to pay \$1 million in travel expenses.

Sen. GRASSLEY: Credit card abuse in the military will never stop until the officers clean up their act.

DOUGLASS: (VO) Pentagon officials testified they are cutting down on abuse. At the same time, they want Congress to increase the limit on the cards from 2500 to 25,000. Linda Douglass, ABC News, Capitol Hill.

JENNINGS: When we come back this evening, the insanity defense. It could not save the mother who drowned her own children. And we'll take A CLOSER LOOK at it tonight.